

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

POSTAL RATE AND FEE CHANGES, 2006

Docket No. R2006-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS  
JOHN P. KELLEY (USPS-T-15) TO INTERROGATORY OF  
THE MAGAZINE PUBLISHERS OF AMERICA, INC., REDIRECTED FROM WITNESS  
RACHEL TANG (USPS-T-35) (MPA/USPS-T35-21(b)-(c)) (August 4, 2006)

The United States Postal Service hereby provides the response of witness John P. Kelley (USPS-T-15) to the following interrogatory of the Magazine Publishers of America, Inc., filed on July 18, 2006, and redirected from witness Rachel Tang (USPS-T-35):

MPA/USPS-T35-21(b)-(c)

The interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

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RESPONSE OF USPS WITNESS KELLEY (USPS-T-15) TO  
INTERROGATORY OF THE MAGAZINE PUBLISHERS OF AMERICA, INC.,  
REDIRECTED FROM WITNESS TANG (USPS-T-35)

**MPA/USPS-T35-21.** Please refer to Page 5 of the document entitled "Summary of Changes to LR-L-126," which is attached to the notice of errata to Library Reference L-126 filed by the Postal Service on July 13, 2006. Please also refer to USPS-LR-L-126, REV 7-13-2006 LR 126 Outside County Revised.xls, worksheet "Rate Design Input," cell C18, which shows "Proportion of Transportation Cost That is Distance Related."

(a) Please confirm that witness Waterbury's errata (filed on July 11, 2006) eliminate almost all Test Year Periodicals Outside County air transportation costs. If not confirmed, please explain fully.

(b) Please confirm that the "Proportion of Transportation Cost That is Distance Related" was calculated as a percentage of all Base Year Periodicals Outside County transportation costs. If not confirmed, please explain fully.

(c) Please confirm that, excluding air transportation costs, the Base Year "Proportion of Transportation Cost That is Distance Related" for the Periodicals Outside County subclass is 0.6234. If not confirmed, please provide the correct figure, along with its derivation.

**RESPONSE:**

(b) Confirmed.

(c) Confirmed that if one were to exclude air transportation costs, the Base Year "Proportion of Transportation Cost That is Distance Related" for the Periodicals Outside County subclass would equal 0.6234.

## **CERTIFICATE OF SERVICE**

I hereby certify that I have this date served the foregoing document in accordance with Section 12 of the Rules of Practice and Procedure.

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August 4, 2006  
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